

# **TERMINOLOGY CHANGE RELATED TO ALCOHOL FUELS CREDIT DEDUCTION**

## **Prior Law**

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For both Iowa individual income and corporation income tax, a deduction is allowed on the Iowa return for the amount of the alcohol fuel credit allowed under section 40 of the Internal Revenue Code to the extent that the credit increases federal adjusted gross income (for individuals) and federal taxable income (for corporations).

## **New Provisions**

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The reference to the alcohol fuels credit was amended to also include the cellulosic biofuel fuels credit since the name of the federal credit allowable under section 40 of the Internal Revenue Code is the "Alcohol and Cellulosic Biofuel Fuels Credit."

## **Sections Amended**

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Section 7 of 2012 Iowa Acts Senate File 2328 amends section 422.7, subsection 9, Code Supplement 2011. Section 12 amends section 422.35, subsection 7, Code Supplement 2011.

## **Effective Date**

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July 1, 2012